REMARKS

Applicants respectfully request reconsideration of this application, in view of the following remarks.

Claims 1-4 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Aoshima et al. (U.S. Patent 6,046,892).

Claim 1-4 rejection under 35 U.S.C. § 102(e)

Claims 1-4 stand rejected as anticipated by Aoshima et al. (Aoshima) (U.S. Patent 6,046,892) for the same reasons stated in the first Office Action dated 4/9/01. In addition, a new reference of Iwasaki et al (Iwasaki) (U.S. Patent 6,157,525) has been cited in the Office Action (see pages 2 and 4).

Iwasaki is cited as disclosing "that NiFeCr has an fcc structure and 111 orientation (column 8, lines 32-36, Iwasaki et al)." (Emphasis added.) This is not correct. What Iwasaki shows is that if a metal film is disposed on top of a Co based amorphous film which is itself on top of an fcc magnetic film, that the underlying fcc magnetic film promotes the fcc (111) orientation of the metal film on top of the Co. (Column 8, lines 32-36 as cited by the Examiner.) This is analogous to saying that a first magnet with an exposed North pole promotes a second magnet (brought close to it) to orient its South pole with the exposed North pole. This does not mean that inherently the second magnet on its own will orient this same way. Nor does it mean that if the second magnet happens to orient its South pole toward the first magnet that the first underlying magnet must have its North pole toward it.

Applicants believe that there may be confusion between structure and orientation. For example, a road has structure and may be oriented north-south, east-west, etc. The <u>structure does not imply an orientation</u>. What the Examiner is attempting to equate is an fcc structure with a 111 orientation. This would be the equivalent of saying that a road structure will have <u>inherently</u> a north-south orientation each time a road is built. This is clearly erroneous.

The Applicants therefore respectfully disagree with the Examiner's inherency argument and maintain that the inherency argument is not correct. A face centered cubic (fcc), as is well-known, has 4 atoms per unit cell, six 1/2 atoms on each face, and eight 1/8 atoms at the corners. Additionally, the close-packed direction is <110>. Importantly, these structural characteristics are completely independent of any orientation.

Applicants' arguments in response to the first Office Action are still valid.

Aoshima does not show, disclose, or suggest an fcc structure and 111 orientation.

Nor does the Iwasaki reference disclose or suggest Applicants' claim 1. Thus,

Applicants' claim 1, and claims which depend on it, are not anticipated by the cited art.

For these reasons, Applicants submit that claim 1, and claims dependent on it, are allowable over the cited art.

Furthermore, the Examiner's inference that, "Applicant asserts the presence of unclaimed extra structure, Aoshima's layer 23 having an face-centered cubic structure" is strongly objected to. (Office Action page 3.) Applicants reference Aoshima column 5, lines 5-12 wherein Aoshima discloses this structure. Applicants have not asserted the presence of an unclaimed extra structure. As in the original

response to the first Office Action, Applicants are simply pointing out that Aoshima's layer 23 is being confused with Applicants' NiFeX second base film. The two elements, however, are not the same.

J.

As for the contention that allowing the "disputed claim would allow the patentee to exclude the public from practicing the prior art ..." it is respectfully submitted that the present claims do not encompass any subject matter within the prior art. The reason why is because Aoshima does not disclose the Applicants' claim 1 limitation either explicitly or inherently as explained above in the discussion on the distinction between structure and orientation.

CONCLUSION

For the foregoing reasons, Applicants respectfully submit that all claims are in condition for allowance. Allowance of all claims is respectfully requested.

If there are any additional charges, please charge our deposit account no. 02-2666.

	Respectfully submitted,
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I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail with sufficient postage in an envelope addressed to Box AF, Commissioner for Patents, Washington, D.C. 20231 on July 6, 2001	
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